

**Montana Department of Natural Resources and Conservation
Water Resources Division
Water Rights Bureau**

**ENVIRONMENTAL ASSESSMENT
For Routine Actions with Limited Environmental Impact**

Part I. Proposed Action Description

1. Applicant/Contact name and address:
CMR RANCH OWNER LLC
602 S FERGUSON AVE STE 2
BOZEMAN, MT 59718
2. Type of action: Application to Change Water Right No. 43A 30170989 by CMR Ranch Owner, LLC
3. Water source name: Rock Creek
4. Location affected by project: The point of diversion is located at the Upper Criswell Ditch in Section 7, T2N, R11E, Park County. The proposed place of use is generally located in Sections 11, 13, 14, 21, 22, 23, 24, and 28, all in T2N, R10E, Park County.
5. Narrative summary of the proposed project, purpose, action to be taken, and benefits: The Applicant submitted Change Application No. 43A 30170989 on May 23, 2025, to the Bozeman DNRC Water Resources Office. The Applicant proposes to change the place of use and add a place of storage to 18 Statements of Claim: 43A 40444-00, 43A 40446-00, 43A 40447-00, 43A 40448-00, 43A 40449-00, 43A 40450-00, 43A 40451-00, 43A 40452-00, 43A 40453-00, 43A 40454-00, 43A 40455-00, 43A 40456-00, 43A 40457-00, 43A 40458-00, 43A 40459-00, 43A 40460-00, 43A 40461-00, and 43A 40462-00. The Applicant proposes to retire 292.2 acres from the historical place of use and add 112-acres to the place of use. The Applicant proposes to also add an onstream reservoir on Hammond Creek, Rainbow Lake, following the change. No change in point of diversion or purpose is proposed. A map of the proposed project is shown in Figure 1 on the following page. This change was submitted with concurrent Change Application No. 43A 30170988. The DNRC shall issue a change authorization if an application proves the criteria in 85-2-402 MCA are met.
6. Agencies consulted during preparation of the Environmental Assessment:
 - Montana Department of Fish, Wildlife & Parks (DFWP) – Montana Fisheries Information System (MFISH)
<https://myfwp.mt.gov/fishMT/explore>
 - Montana Department of Environmental Quality (DEQ) – Clean Water Act Information Center (CWAIC)
<https://clean-water-act-information-center-mtdeq.hub.arcgis.com/>
 - Montana National Heritage Program (MTNHP) – Species of Concern:
<https://mtnhp.org/mapviewer/?t=7>

- U.S. Fish & Wildlife Service (USFWS) – National Wetlands Inventory Wetlands Mapper
<https://www.fws.gov/program/national-wetlands-inventory/wetlands-mapper>
- Natural Resource Conservation Service (NRCS) – Web Soil Survey (WSS)
<https://websoilsurvey.sc.egov.usda.gov/App/WebSoilSurvey.aspx>

43A 30170989 Proposed Use

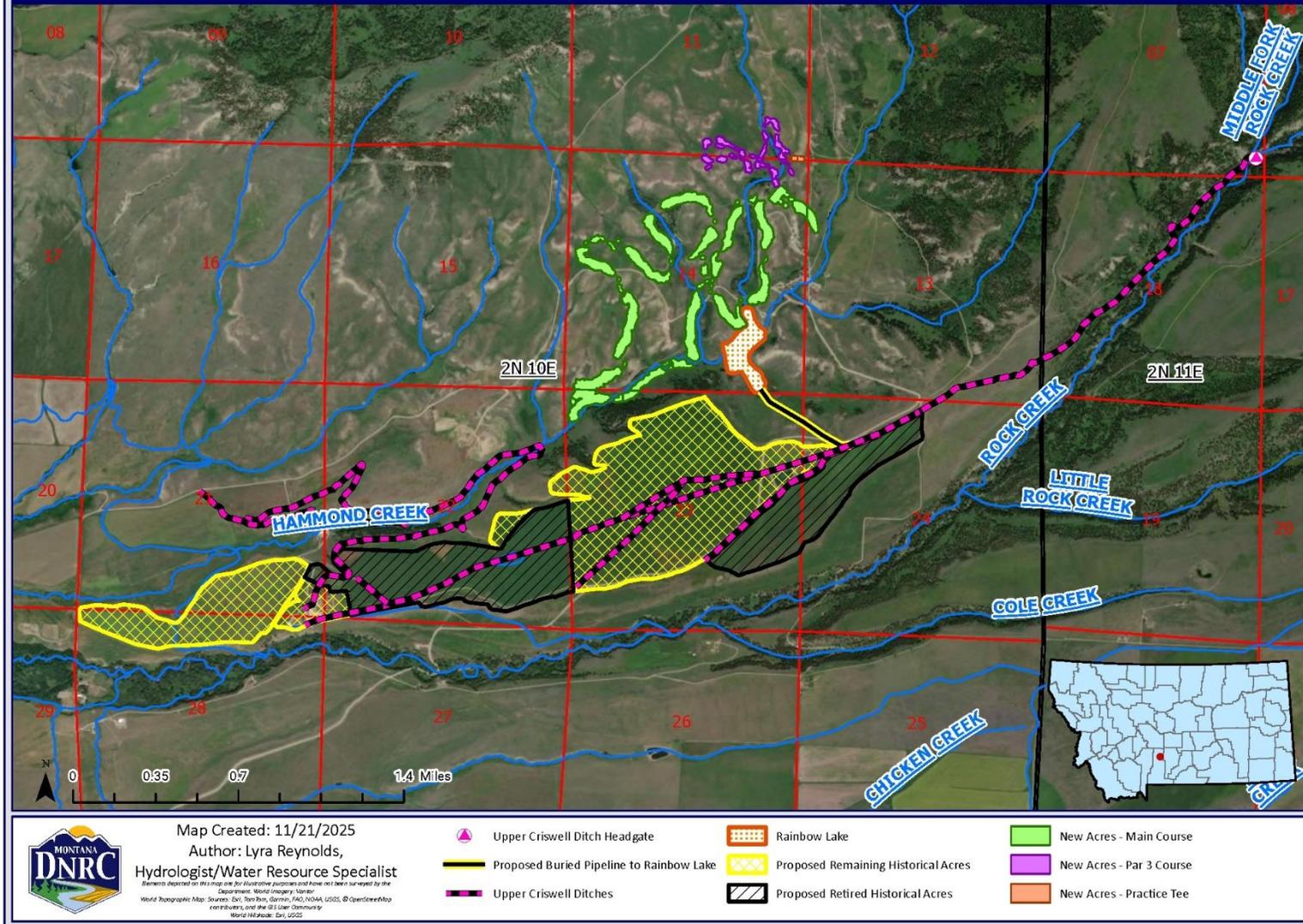


Figure 1. Map of the proposed project in Change Application 43A 30170989

Part II. Environmental Review

1. **Environmental Impact Checklist:**

PHYSICAL ENVIRONMENT

WATER QUANTITY, QUALITY AND DISTRIBUTION

Water quantity - Assess whether the source of supply is identified as a chronically or periodically dewatered stream by DFWP. Assess whether the proposed use will worsen the already dewatered condition.

Determination: No significant impact.

A March 24, 2026, search of the DFWP data lists Rock Creek near the confluence of the Shields River as experiencing chronic dewatering. The point of diversion of the water rights proposed for change is upstream of the reach shown by DFWP. The proposed diverted volume is less than the historically diverted volume. The Applicant will be required to show the proposed project does not create an adverse effect and must meet the criteria in §85-2-402 MCA for the proposed change application to be granted. If the Applicant meets the criteria and the change is granted, no significant impacts will occur to the water quantity.

Water quality - Assess whether the stream is listed as water quality impaired or threatened by DEQ, and whether the proposed project will affect water quality.

Determination: No significant impact.

The source of the water rights proposed for change is Rock Creek. A March 24, 2026, search of the DEQ CWAIC website lists Rock Creek from the National Forest Boundary to the mouth (Shields River) as not fully supporting aquatic life use, caused by water diversions that modify the flow regime. The Applicant will continue to use the historical diversion at the Upper Criswell Ditch. No new diversions are proposed in the change. The proposed change to the claims is not anticipated to negatively impact water quality, as the purpose of the water right is remaining irrigation and no new diversions are proposed.

The proposed change includes adding a new 112-acre place of use to the water right. The Applicant will use the water right to irrigate a golf course in the new place of use. The proposed irrigation infrastructure has been designed for precise application to the golf course. Any chemical inputs required to maintain the new place of use will be carefully applied to ensure maximum plant uptake and growth, as outlined in the application materials. No changes to water quality are anticipated as a result of the addition of the new 112 acres.

Groundwater - Assess if the proposed project impacts ground water quality or supply.

If this is a groundwater appropriation, assess if it could impact adjacent surface water flows.

Determination: No significant impact.

The proposed change does not significantly change groundwater, as no direct groundwater appropriation is involved.

Diversion Works- Assess whether the means of diversion, construction and operation of the appropriation works of the proposed project will impact any of the following: channel impacts, flow modifications, barriers, riparian areas, dams, well construction.

Determination: No significant impact.

The proposed project will continue to use the historical diversion at the Upper Criswell Ditch. No change in diversion is proposed. The Applicant proposes to add Rainbow Lake to the water right as a place of storage. Rainbow Lake, also known as Hammond Creek Reservoir, is an existing onstream reservoir, currently listed on Claim 43A 40431-00. The proposed operation of Rainbow Lake as a place of storage for irrigation water will require new pumps and pipelines to be installed. All infrastructure will be installed in existing ditches or reservoirs and will have the ability to be shut off if required. The Applicant will continue to allow Hammond Creek water flow through Rainbow Lake. No changes to the Upper Criswell Ditch diversion works are proposed. No negative impact to channels, flow regimes, or riparian areas are anticipated as a result of the proposed change.

UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES

Endangered and threatened species - Assess whether the proposed project will impact any threatened or endangered fish, wildlife, plants or aquatic species or any "species of special concern," or create a barrier to the migration or movement of fish or wildlife. For groundwater, assess whether the proposed project, including impacts on adjacent surface flows, would impact any threatened or endangered species or "species of special concern."

Determination: No significant impact.

A search of the MTNHP website on March 24, 2026, for T2N, R10E, and T2N, R11E, Park County, returned the following results:

- Thirty-four animal Species of Concern: American Goshawk, American White Pelican, Black Rosy-Finch, Black-necked Stilt, Brewer's Sparrow, Brown Creeper, Burrowing Owl, Cassin's Finch, Clark's Nutcracker, Common Loon, Evening Grosbeak, Ferruginous Hawk, Forester's Tern, Franklin's Gull, Golden Eagle, Gray-crowned Rosy-Finch, Great Blue Heron, Greater Sage-Grouse, Green-tailed Towhee, Loggerhead Shrike, Long-billed Curlew, Pinyon Jay, Sagebrush Sparrow, Sharp-tailed Grouse, Solitary Sandpiper, Sprague's Pipit, Trumpeter Swan, Veery, White-faced Ibis, Rocky Mountain Cutthroat Trout, Canada Lynx, Little Brown Myotis, Swift Fox, Wolverine
- Eight animal Potential Species of Concern: Barrow's Goldeneye, Boreal Owl, Broad-tailed Hummingbird, Great Gray Owl, Hooded Merganser, Rufous Hummingbird, Short-eared Owl, North American Porcupine
- One animal Special Status Species: Bald Eagle
- Two plant Species of Concern: Fan-leaved Fleabane, Whitebark Pine
- Zero plant Potential Species of Concern
- Zero plant Special Status Species

No new diversion is proposed, and the purpose will remain irrigation. The Applicant will add 112 acres to the place of use and add Rainbow Lake, an existing onstream reservoir, to the

claim. Any new infrastructure required to convey water to the proposed place of use will be equipped with screens so fish cannot pass into pumps or pipelines. The Applicant will continue to use Rock Creek as a natural carrier for Claim 43A 40463-00 and will limit diversions from Rock Lake to the historical diverted volume. The Applicant will continue to allow Hammond Creek to flow through Rainbow Lake. No negative impacts are anticipated to occur to threatened or endangered fish, wildlife, plants, or other aquatic species.

Wetlands - Consult and assess whether the apparent wetland is a functional wetland (according to COE definitions), and whether the wetland resource would be impacted.

Determination: Not applicable.

A March 24, 2026, search of the National Wetlands Inventory Mapper shows freshwater emergent wetlands, riverine habitat, and freshwater forest/shrub wetland habitat in the project area. The Applicant will continue to use the claims for irrigation. The proposed diverted volume will be less than the historical diverted volume. The proposed new 112-acre place of use will be irrigated with a sprinkler system designed to operate with highly efficient applications. The Applicant will continue to irrigate the historical place of use as well, using both flood and sprinkler irrigation. The proposed change to the claims is not anticipated to negatively impact wetlands surrounding and within the project area.

Ponds - For ponds, consult and assess whether existing wildlife, waterfowl, or fisheries resources would be impacted.

Determination: No significant impact.

The Applicant proposes to add Rainbow Lake as a place of storage in the proposed change. Rainbow Lake is an existing, onstream reservoir on Hammond Creek. The reservoir is currently used for fish and wildlife under Claim 43A 40431-00. The Applicant proposes to store water for irrigation use in Rainbow Lake following the proposed change. The operation plan for Rainbow Lake following the proposed change will still allow Hammond Creek water to be stored in Rainbow Lake, as well as allow for Hammond Creek to continue to flow through the reservoir. The capacity of Rainbow Lake will remain the same as it did historically and the Applicant will continue to fill Rainbow Lake to its full capacity following the proposed change. No significant impacts are anticipated for Rainbow Lake following the proposed change.

Geology/Soil quality, stability and moisture - Assess whether there will be degradation of soil quality, alteration of soil stability, or moisture content. Assess whether the soils are heavy in salts that could cause saline seep.

Determination: No significant impact.

A March 24, 2026, search of the NRCS Web Soil Survey identified low surface salinization risk and surface salinization risk in the project area. Low salinization risk was identified for the 471 historical acres remaining in the place of use. The new 112-acre place of use has both low salinization and salinization risk identified. The Applicant has designed the sprinkler system for the new acres alongside a golf course designer and agronomist to ensure precision application of water. The Applicant also plans to install soil moisture sensors within the new 112-acre place of use to monitor soil conditions. The Applicant also provided information from an agronomist

who stated minimal disruption occurred during the construction of the proposed golf course. The application information further stated that minimal sodium buildup should occur and water movement through the soils will not be impeded. The salinization risk of the place of use is not anticipated to be increased. The proposed change is not anticipated to cause degradation of soil or cause saline seeps.

Vegetation cover, quantity and quality/Noxious weeds - Assess impacts to existing vegetative cover. Assess whether the proposed project would result in the establishment or spread of noxious weeds.

Determination: No significant impact.

The Applicant proposes to continue irrigating the 471 acres in the historical place of use. The new 112-acre golf course will be seeded with a mixture of Kentucky Bluegrass and Creeping Bentgrass. The Applicant stated in the application materials that the Kentucky Bluegrass for the tees, fairways, and rough will be grown in Idaho and transported to the place of use for installation. The greens will be seeded onsite with Creeping Bentgrass. The Applicant also stated the golf course turf grasses will be maintained at a high quality level to provide championship conditions for their members. Under Montana law, owners are responsible for noxious weed control on their property.

Air quality - Assess whether there will be a deterioration of air quality or adverse effects on vegetation due to increased air pollutants.

Determination: No significant impact.

No deterioration of air quality is anticipated from the construction of the proposed golf course and installation of infrastructure.

Historical and archeological sites - Assess whether there will be degradation of unique archeological or historical sites in the vicinity of the proposed project if it is on State or Federal Lands. If it is not on State or Federal Lands simply state NA-project not located on State or Federal Lands.

Determination: Not applicable.

The project is not located on State or Federal Lands. Furthermore, the Applicant made no mention of significant historical or archeological sites on the property.

Demands on environmental resources of land, water, and energy - Assess any other impacts on environmental resources of land, water and energy not already addressed.

Determination: No significant impact.

No other demands on environmental resources of land, water, and energy have been identified.

HUMAN ENVIRONMENT

Locally adopted environmental plans and goals - Assess whether the proposed project is inconsistent with any locally adopted environmental plans and goals.

Determination: No significant impact.

The proposed project is to change the place of use and add a place of storage to 18 Statements of Claim for irrigation use. Irrigation is a recognized beneficial use of water within the state of Montana (§85-2-102(5), MCA). Using surface water for irrigation of land is a locally accepted practice.

Access to and quality of recreational and wilderness activities - Assess whether the proposed project will impact access to or the quality of recreational and wilderness activities.

Determination: No significant impact.

Significant recreational and wilderness activities exist in the area. The proposed project will add a 112-acre golf course to the place of use for use by private parties. The proposed change will not impact access to or the quality of recreational and wilderness activities.

Human health - Assess whether the proposed project impacts on human health.

Determination: No significant impact.

The project will not impact human health.

Private property - Assess whether there are any government regulatory impacts on private property rights.

Yes ___ No **X** If yes, analyze any alternatives considered that could reduce, minimize, or eliminate the regulation of private property rights.

Determination: No significant impact.

The project does not impact government regulations on private property rights.

Other human environmental issues - For routine actions of limited environmental impact, the following may be addressed in a checklist fashion.

Impacts on:

- (a) Cultural uniqueness and diversity? No significant impacts identified.
- (b) Local and state tax base and tax revenues? No significant impacts identified.
- (c) Existing land uses? No significant impacts identified.
- (d) Quantity and distribution of employment? No significant impacts identified.
- (e) Distribution and density of population and housing? No significant impacts identified.
- (f) Demands for government services? No significant impacts identified.
- (g) Industrial and commercial activity? No significant impacts identified.
- (h) Utilities? No significant impacts identified.
- (i) Transportation? No significant impacts identified.

- (j) Safety? No significant impacts identified.
- (k) Other appropriate social and economic circumstances? No significant impacts identified.

2. Secondary and cumulative impacts on the physical environment and human population:

Secondary Impacts: No secondary impacts have been identified.

Cumulative Impacts: No cumulative impacts have been identified.

3. Describe any mitigation/stipulation measures:

If the change is authorized, the Applicant will be required to provide measurements at multiple locations along the diversion and conveyance systems. If the change is authorized, the Applicant will be required to use Claim 43A 40463-00, part of concurrent Change Application No. 43A 30170988, only after water rights diverting the natural flow of Rock Creek are out of priority. For the change authorization to be granted by the DNRC, the Applicant must prove the criteria in §85-2-402 MCA are met.

4. Description and analysis of reasonable alternatives to the proposed action, including the no action alternative, if an alternative is reasonably available and prudent to consider: The “no action” alternative would be for the Applicant to continue irrigation of the historical acres and not add any new acres or place of storage.

Part III. Conclusion

- 1. Preferred Alternative:** The preferred alternative is to grant the Change Application if the Applicant has proven the criteria of §85-2-402, MCA.
- 2. Comments and Responses:** None at this time.
- 3. Finding:** Yes ___ No X Based on the significance criteria evaluated in this EA, is an EIS required?

If an EIS is not required, explain why the EA is the appropriate level of analysis for this proposed action: The EA is the appropriate level of analysis because the proposed project is to change the place of use and add a place of storage to 18 Statements of Claim. The Applicant will continue to divert at the Upper Criswell Ditch headgate. The Applicant proposes to continue to divert at a total flow rate of 70.76 CFS up to a proposed diverted volume of 791.34 AF for irrigation of 583 acres. No significant impacts are anticipated.

The Applicant will be required to meet the criteria in §85-2-402 MCA for the proposed change application to be granted. If the Applicant meets the criteria and the change is granted, no significant impacts will occur. None of the identified impacts for any of the alternatives is significant as defined in ARM 36.2.524.

Name of person(s) responsible for preparation of EA:

Name: Lyra Reynolds

Title: Hydrologist/Water Resources Specialist

Date: March 26, 2026